

**Board of Finance
Town of East Windsor
11 Rye Street
East Windsor, CT**

**MINUTES OF BUDGET WORKSHOP SPECIAL MEETING,
Wednesday, May 26, 2010 at 7:00 p.m.**

These minutes are not official until approved at a subsequent meeting.

Members Present: Jack Mannette, Danelle E. Godeck, Robert Little, Kathleen Pippin, Jason Bowsza, and Marie DeSousa
Members Absent: None
Alternates Present: Jamie Daniel
Alternate Absent: Thomas Baker
Others: Denise Menard, John L. Burnham, Richard P. Pippin, Jr., Mark Simmons, Gilbert Hayes, Catherine Cabral, Timothy Howes, Dale Nelson, and a approximately a hundred townspeople
Press: J. Silvia (Journal Inquirer)

Chairman Jack Mannette called the Public Hearing to Order at 7:01 p.m., in the East Windsor High School Cafeteria, 70 Main Street, East Windsor, Connecticut.

Chairman Jack Mannette indicated that alternate member Mr. Thomas Baker has an excused absence. He is working this evening.

Chairman Jack Mannette read from the agenda for this evening's meeting.

“The purpose of the meeting is as follows;

1. If the second (2nd) proposed \$32,884,115 budget is approved by the voters on May 25, 2010, to set the 2010/2011 Mill Rate.
2. If the second (2nd) proposed \$32,884,115 budget fails to be approved by the voters on May 25, 2010, to discuss and approve a third proposed 2010-2011 budget and Mill Rate for a referendum to be held on June 8, 2010.
3. To discuss correspondence from Attorney Steven Mednick in regard to Charter Section 8-5(B)(4).”

Mr. Mannette discussed the meeting of the Board of Selectmen which took place last night wherein it was recommended to the Board of Finance a budget of \$32,244,018. Ms. Menard requested permission to have Selectman Mark Simmons to clarify what happened at the meeting last night. He indicated he did a caucus of the Selectmen so they could present something at this meeting to be discussed. Chairman Mannette was consulted. Ms. DeSousa asked if the document presented to the Board of Selectmen of a 1.5% spending increase drafted by Mr. Mannette. Mr. Simmons indicated the Board consulted with Mr. Mannette because he has his hands on the numbers and the document

which was given to the Board of Selectmen was done quickly. Ms. DeSousa apologized due to the fact she was misinformed at what happened at the meeting and unfortunately, there was not a video recording made of that meeting. Mr. Simmons didn't realize consulting with the Chairman of the Board of Finance was going to cause such an issue.

Ms. Menard indicated the point of the meeting last night was for the five members of the Board of Selectmen to go over the town budget again and see where cuts can be made. It was decided last night the town side of the budget to be \$13,533,432 or a spending increase of 0.95%, less than 1% increase.

Mr. Mannette indicated it was discussed if the proposed budget for the referendum was 1.5% increase over last year's budget; add \$477,967 to the budget. The breakdown for reductions to the town 40% and education 60%, however that breakdown did not pass. When that option was turned down, the 40/60 breakdown of reductions and did not discuss any increases. The total reductions would be approximately \$1,008,091. Mr. Jason Bowsza asked where Mr. Mannette was getting his figures. Mr. Mannette indicated the figures were from Ms. Catherine Cabal and her sheet.

Ms. Menard agrees the town has given more than the Board of Education, and the Board of Selectmen are comfortable with that decision. She feels the 0.95% over last year's budget will keep services for the residents. All of the Selectmen agreed except for Mr. John Burnham. Mr. Mannette is concerned of what was given up to achieve the 0.95% tax increase, which are the .5% tax revenue and the 27th payroll, which is a considerable amount of money. He is also concerned with not collecting 100% tax revenue. Ms. Menard indicated the .5% tax revenue and the 27th payroll were not mandated by the auditor, just recommended. She agrees it is a good accounting practice. Mr. Little agreed the auditor recommended the practice, not mandated.

Ms. Menard continued to talk about the aggressive delinquent tax collection the tax collector has been doing. In the first three months, \$151,000 of delinquent tax revenue has been collected which makes up for the .5% tax revenue of \$135,000. Future delinquent tax revenue is expected. She also touched upon the 27th payrolls, which she indicated have been discussed at previous meetings. Ms. Godeck, Mr. Bowsza, and Ms. DeSousa agreed.

Mr. Mannette began discussing the increase to the Board of Education budget which is approximately 87%. Mr. Bowsza questioned Mr. Mannette's math. A brief discussion was held. It was inquired if members of the Board of Education were here to discuss their budget and if they were invited. It was noted that two members were in attendance.

Mr. Mannette remarked the town side of the proposed budget, increase of 0.95% equals to be approximately an increase of only \$128,000. Mr. Simmons indicated that at the Board of Selectmen Meeting last night, a second motion was entertained and passed by a 3-2 vote to recommend a 1.5% spending increase or a 9.6% tax increase for the third and final referendum. Ms. Godeck questioned why would they recommend a budget lower than the 2% which would go against the Charter. Mr. Simmons and Mr. Pippin

disagreed. Ms. Godeck continued to discuss that everyone knows that a zero percent increase is not good for the town. Mr. Burhnam indicated he made the motion last night and his reasoning was that it was insulting to the voters to come back for a third referendum over the 2%. Ms. Godeck disagreed. Ms. Menard indicated she voted against the 1.5% proposal; however, the reasoning was the 1.5% was less than a double digit tax increase. Mr. Mannette indicated if the 1.5% was presented, the Board of Education would have to cut an additional \$349,962. Ms. Godeck indicated the difference between the 1.5% and 2% was approximately .15 mills. The 1.5% increase equals 2.10 increased mill rate and the 2% increase equals a 2.25 increased mill rate.

A lengthy discussion was held between members of the Board of Finance and Board of Selectmen of all the options.

Ms. Marie DeSousa commented that she has been to all of the public hearings and has heard a lot of suggestions to cut the budget, including trash collection, libraries, and senior citizen center. She believes the job of the Board of Finance is to support a budget which is favorable by the public and is for the best interest of the town. No one wants an increase in taxes, but if taxes do not increase services in the town suffer and it would do a disservice to the town. She takes her responsibility very seriously and wants the town to move forward. She raised concerns if the budget fails at the third referendum, how does the town breakdown the 2% increase between all departments. Due to the new Charter, this process is new and we are all learning it together.

Ms. Danelle Godeck began speaking about the Board of Education and how their budget is always the highest in the town. She mentioned NEASC and the accreditation process and how underfunding the Board of Education can jeopardize the accreditation process. She mentioned the overspending of the State and Federal Governments and the how the town relies on funding from the State and Federal Governments; however, that funding has been less and less over the last year. The contracts for the teachers will be renegotiated in the summer months and at that time furlough days and concessions will be addressed. She feels the town can not jeopardize losing the accreditation of the high school because it will cost the town a lot more money in the long run.

Mr. Mannette indicated the town only has so much money to spend. He does not understand how the Board of Education can request an 11% spending increase due to the increase in salaries and benefits.

A discussion was held regarding the Board of Education spending. Mr. Timothy Howes was asked by Ms. Marie DeSousa if there were any savings to be had from health care and early retirement. Mr. Howes indicated that there will be substantial savings for health care and early retirement. Some of the early retirement positions will not be filled in order to save additional money. Other ways of raising revenue for the school could be pay to play. It could raise approximately \$60,000 in revenue. Administrators have also considered furlough days.

Mr. Mannette asked Board Members what their feelings were regarding the 1.5% spending increase. He went around the table starting with Ms. Kathleen Pippin. She indicated she was fine with the 1.5%. She is not against education, however, as a small business owner she is having a tough time due to the economy. Mr. Robert Little also indicated he was in favor of the 1.5% proposal. He indicated he is not happy that his taxes will increase 9.6%. He believes that this Board owes it to the voters to propose a spending increase lower than the 2% default. Mr. Bowsza disagrees with the Board of Selectmen and believes this was not the intent of the Charter Commission to propose a budget lower than the 2% default. He can not support the 1.5%. Ms. Jamie Daniel indicated she could not agree to the 1.5% proposal due to the fact she feels it does not support the Charter. Ms. Godeck understood that the voters have spoken by a 2-1 margin, however, having the polls only open from 12:00 p.m. to 8:00 p.m. is unfair to those who work and are unable to go to the polls and more people would come out if the polls were open earlier. She also said she could not support the 1.5% proposal, since there isn't too much of a difference in the mill increase from 2.10 (1.5% spending increase) and 2.25 (2% spending increase). Ms. DeSousa asked about the .5% tax revenue and if it was included or excluded. She was instructed it was without the .5% tax revenue. She indicated she was not ready to make a decision.

A motion was entertained by Mr. Robert Little recommending the proposed budget of 1.5% spending increase recommended by the Board of Selectman. Ms. Kathleen Pippin seconded the motion.

A discussion was held. Mr. Mannette indicated he believes the 1.5% spending increase was reasonable and they are listening to what the majority of the votes have asked for. He indicated he disagrees with the Charter analysis of not recommending a budget below the 2%. If the 1.5% is rejected by the voters, the default of 2% will be the new budget.

The vote was taken:

In Favor – Mr. Robert Little and Ms. Kathleen Pippin

Opposed – Mr. Jason Bowsza, Ms. Marie DeSousa, and Ms. Dannelle Godeck

Mr. Jack Manette abstained.

The motion failed.

The Board Recessed at 7:56 p.m.

The Board Reconvened at 8:10 p.m.

Chairman Jack Mannette instructed the Board the last motioned failed by a 3-2 vote and inquired if any other suggestions would be entertained. Some Board Members asked what the vote was and who voted.

A motion was entertained by Mr. Jack Mannette to reconsider the previous motion made by Mr. Robert Little recommending that proposed budget of 1.5% spending increase. The motion was seconded by Mr. Jason Bowsza.

The vote was taken:

In Favor – Mr. Robert Little, Ms. Kathleen Pippin, Mr. Jason Bowsza, and Mr. Jack Mannette.

Opposed – Ms. Marie DeSousa, and Ms. Dannelle Godeck

A motion was entertained by Mr. Robert Little recommending the proposed budget of 1.5% spending increase recommended by the Board of Selectman. Ms. Kathleen Pippin seconded the motion.

No discussion was held.

The vote was taken:

In Favor – Mr. Robert Little, Ms. Kathleen Pippin, and Mr. Jack Mannette

Opposed – Mr. Jason Bowsza, Ms. Marie DeSousa, and Ms. Dannelle Godeck

The motion failed.

Chairman Jack Mannette inquired if there were any other suggestions.

The Board recessed at 8:15 p.m.

The Board reconvened at 8:24 p.m.

Chairman Jack Mannette again inquired if there were any other suggestions. He indicated the Board of Finance has an obligation to come up with a proposal for the third referendum and currently the Board is at a road block and they need to compromise to come up with that proposal.

A discussion was held between the Board Members.

A motion was entertained by Ms. Danelle Godeck recommending a proposed budget of 2.4% spending increase, or a 10.88% tax increase and an increase of 2.37 mills. The motion was not seconded.

Mr. Jason Bowsza indicated it is the responsibility of the Board to go line by line and begin to cut to see what services and/or projects the town can do without. Mr. Mannette indicated that the Board of Selectmen have already gone through their budget and have given their recommendations. Mr. Bowsza indicated he would like to look over the capital improvement budget to make sure there is nothing in that budget that could be cut

or reduced. Mr. Mannette responded that back in December, a meeting was held regarding the budget process. Every year, when it comes time to cut items out of the budget, the first place is the capital improvement budget. First Selectwoman addressed all the items on the capital improvement list; Board of Education van, thermal cameras and scott packs for the Fire Department, extrication tool for the Fire Department, new cruiser for Police Department, chip sealing roads, assessor's office cut, public works drainage project, town hall boiler, WPCA roof, and highway truck. Ms. Menard discussed each project separately and justified each request. She also indicated that Windsor Locks bonded \$1 million last year for their capital improvement projects, which is much higher than East Windsor.

A motion was entertained by Ms. Marie DeSousa recommending a proposed budget of \$32,661,063 or a 2.5% spending increase, or a 11.1% tax increase and an increase of 2.40 mills. The motion was seconded by Mr. Jason Bowsza.

A discussion was held. Mr. Robert Little indicated the Board of Selectmen have recommended the 1.5% spending increase and going any higher than that is insulting to the Board of Selectmen. Ms. DeSousa indicated the misunderstanding of the public notice and the figures contained in same. She feels if the 1.5% proposal will be a disservice to the town.

Ms. Godeck read from the Minutes of the Charter Revision Committee Meeting of June 11, 2009 wherein it was agreed if the referendum failed three times, it would automatically go to the 2% spending increase over the current year's budget. She understands this year is a bad economic year, but she cannot support going below the 2%.

A lengthy discussion was held between Mr. Jason Bowsza and Mr. Jack Mannette debating the additional costs to tax payers of the 2% budget.

The vote was taken:

In Favor – Mr. Jason Bowsza, Ms. Marie DeSousa, and Ms. Danelle Godeck

Opposed – Mr. Robert Little, Ms. Kathleen Pippin and Mr. Jack Mannette

Motion failed.

A short discussion between Board Members of both Board of Finance and Board of Selectmen regarding the third referendum, the default budget of 2% and what would be the best interest of the town. A fireman named, Jimmy, stood up and yelled that certain members of the Board of Finance were dysfunctional. He was asked to leave, but did not. The discussion continued.

A motion was entertained by Ms. Danelle Godeck recommending a proposed budget of \$32,597,334 or a 2.3% spending increase, or a 10.74% tax increase and an increase of 2.43 mills. The motion was seconded by Ms. Marie DeSousa.

No discussion was held.

The vote was taken:

In Favor – Mr. Jason Bowsza, Ms. Marie DeSousa, and Ms. Danelle Godeck

Opposed – Mr. Robert Little, Ms. Kathleen Pippin and Mr. Jack Mannette

Motion failed.

The Board recessed at 9:04 p.m.

The Board reconvened at 9:28 p.m.

A motion was entertained by Mr. Jason Bowsza moving to put forward a budget of \$32,533,605. This represents an increase of \$669,153 over this year's budget. \$128,000 will be applied to the town side and \$541,158 will be applied to the Board of Education. This will be a tax increase of 10.47%, and an increase of 2.28 mills for a mill rate of 24.0260. This represents a 2.1% spending increase. The motion was seconded by Ms. Kathleen Pippin.

No discussion was held.

The vote was taken:

In Favor – Ms. Kathleen Pippin, Mr. Robert Little (with reservation), Mr. Jason Bowsza, and Ms. Danelle Godeck

Opposed – Ms. Marie DeSousa (without reservation)

Motion passed.

The next item on the agenda was to discuss the letter from Attorney Steven Mendick.

A motion was entertained by Mr. Robert Little to table the agenda item discussing the letter of Attorney Steven Mendick until the next meeting. Ms. Kathleen Pippin seconded the motion. A discussion was held. Ms. Marie DeSousa indicated the letter is the opinion of the attorney of how the money will be divided among departments if the 2% default budget is passed. Mr. Bowsza indicated the letter can be discussed after the third referendum on June 8, 2010. There will be a meeting scheduled for 8:30 p.m. that evening.

The vote was taken:

In Favor – Ms. Kathleen Pippin, Mr. Robert Little, Mr. Jason Bowsza, and Ms. Danelle Godeck

Opposed – Ms. Marie DeSousa

Motion Passed.

It was **MOVED** (Little) and **SECONDED** (Bowsza) and **PASSED** (U) that the Board of Finance adjourns the May 26, 2010 Budget Workshop Special Meeting on May 26, 2010 at 9:35 p.m.

Respectfully Submitted,

Denise M. Piotrowicz
Recording Secretary